

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

MARKET DOMINANT PRODUCT PRICES
INBOUND MARKET DOMINANT MULTI-SERVICE AGREEMENTS
WITH FOREIGN POSTAL OPERATORS 1
AUSTRALIAN POSTAL CORPORATION - UNITED STATES
POSTAL SERVICE MULTI-PRODUCT BILATERAL AGREEMENT
(MC2010-35 AND R2010-6)
NEGOTIATED SERVICE AGREEMENT

Docket No.
R2017-2

**NOTICE OF THE UNITED STATES POSTAL SERVICE OF FILING A
SIGNED INBOUND MARKET DOMINANT MULTI-SERVICE AGREEMENTS WITH
FOREIGN POSTAL OPERATORS 1 NEGOTIATED SERVICE AGREEMENT**
(December 28, 2016)

On December 22, 2016, the United States Postal Service (Postal Service) filed a notice requesting that the inbound portion of a bilateral agreement with the Australian Postal Corporation (Australia Post 2017 Agreement) be included within the Inbound Market Dominant Multi-Service Agreements with Foreign Postal Operators product.¹

Australia Post and the Postal Service have since executed the Australia Post 2017 Agreement. A redacted signed Australia 2017 Agreement is attached to this notice and replaces the version included as Attachment 2 to the Postal Service's initial notice filed in this docket on December 22, 2016. A non-public version of the Australia Post 2017 Agreement is also being filed separately under seal with the Postal Regulatory Commission and replaces the version filed with the Postal Service's initial notice in this docket. The text of the Australia Post 2017 Agreement included in the public and non-public portions of this filing is identical to the text of the draft version of

¹ Notice of United States Postal Service of Type 2 Rate Adjustment, Notice of Filing Functionally Equivalent Agreement and Application for Non-Public Treatment of Materials Filed Under Seal , Docket No. R2017-2, December 22, 2016.

the agreement that was included in the Postal Service's initial filing in this docket. With respect to the agreement filed under seal with this notice, the Postal Service hereby incorporates its Application for Non-Public Treatment that was included as Attachment 1 to the Postal Service's initial notice filed in this docket.²

Respectfully submitted,

UNITED STATES POSTAL SERVICE
By its attorneys:

Anthony F. Alverno
Chief Counsel, Global Business and
Service Development
Corporate and Business Law Section

Christopher C. Meyerson
Attorney

475 L'Enfant Plaza, SW
Washington, D.C. 20260-1137
(202) 268-7820; Fax -5628
christopher.c.meyerson@usps.gov
December 28, 2016

² *Id.* at Attachment 1.

AUSTRALIAN POSTAL CORPORATION – UNITED STATES POSTAL SERVICE BILATERAL AGREEMENT

This Agreement ("Agreement") is between the United States Postal Service ("USPS"), an independent establishment of the Executive Branch of the Government of the United States with offices at 475 L'Enfant Plaza SW, Washington, DC 20260, and Australian Postal Corporation ("Australia Post" or "AUP"), an Australian statutory corporation established by an act of the parliament of the Commonwealth of Australia, and owned by the Government of Australia, with offices at 111 Bourke St, Melbourne, Victoria 3000. The USPS and Australia Post may be referred to individually as a "Party" and together as the "Parties."

INTRODUCTION

WHEREAS, the Parties desire to enter into a non-exclusive relationship whereby the Parties will provide each other certain products and/or services pursuant to the terms and conditions contained herein;

WHEREAS, the Parties acknowledge and understand that the commencement of performance under this Agreement is subject to the approval of and/or non-objection by various entities with oversight responsibilities for each Party. Accordingly, each Party acknowledges and understands that the ability of the other Party to perform under this Agreement may not occur, and in this respect the provisions of Article 2 and 3 shall apply;

WHEREAS, in light of the aforementioned acknowledgements, the Parties desire to be bound by the terms of this Agreement as well as the terms of Article 3 of this Agreement entitled "Conditions Precedent";

NOW, THEREFORE, in consideration of the mutual promises set forth below, the Parties hereby agree as follows:

Article 1: Purpose of the Agreement

The purposes of this Agreement are the following:

1. to foster the maintenance and further development of a mutually beneficial relationship on behalf of the Parties' respective customers;
2. to set out the rates that will apply to the exchange of certain international products and services between the Parties, as set forth in Annex 1; and
3. to set out the principles and general terms and conditions that shall apply to the exchange of certain international products and services between the Parties, as further detailed in and set forth in Annexes 2, 3, 4, 5, and 6.

Article 2: Oversight and Effective Date

The terms and pricing set forth under this Agreement require the approval from various entities that have oversight responsibilities for the Parties. Upon execution of this Agreement, each Party must obtain the relevant approvals as set out in Article 3 below. Each Party shall immediately notify the other Party upon receipt of each approval it requires.

Subject to receipt of all approvals set out in Article 3, this Agreement shall come into effect on 1 February 2017 ("the Effective Date") unless an alternative date is proposed and agreed to by both Parties, in which case that alternative date shall be the Effective Date.

Article 3: Conditions Precedent

The Parties acknowledge and understand that all obligations of the Parties under this Agreement shall be contingent on the Parties receiving the approvals from, and/or non-objection by (hereinafter "Conditions Precedent") the following internal and external bodies that have oversight responsibilities:

Party	Approval Required
USPS	<ul style="list-style-type: none">- USPS senior management,- Governors of the USPS,- USPS Board of Governors and- U.S. Postal Regulatory Commission.
Australia Post	<ul style="list-style-type: none">- Nil

The Parties acknowledge that the Agreement might not be approved by such bodies. No obligation shall exist for the USPS or Australia Post and no benefit or rights granted through this Agreement shall inure to either Party unless and until the Effective Date occurs and upon such occurrence the Conditions Precedent shall have been deemed to have been fulfilled.

Article 4: Limitation on Liability and Costs

In the event that the Conditions Precedent are not fulfilled, the USPS and Australia Post shall have no liability, which shall include no obligation to pay costs associated with any action taken by Australia Post or USPS. Further, in the event of the failure of any Condition Precedent, neither Party shall be held liable for any damages including, without limitation, the following: actual damages; special damages; indirect damages; incidental damages; punitive damages; consequential damages; or any other damages, which shall include but not be limited to damages for loss of business profits; business interruption; any other loss; and/or any cost incurred by either Party attributable to such non-approval such as attorney's fees.



Article 5: Price Changes; No Effect on Service Terms

For each of the services with specific terms and conditions set forth in an attachment to this Agreement, any adjustments to the rates for the services shall be subject to the terms and conditions set forth in the Annexes of this Agreement.

Article 6: Monetary Transactions

1. Each Party will bear the costs and retain the revenues for any work performed by it and by agents or contractors on its behalf, unless the Parties agree to other arrangements to allocate costs or revenues and those arrangements are incorporated in an Amendment to this Agreement. Any such subsequent Amendment shall be governed by Article 18 below.
2. All taxes and duties are the sole responsibility of the Party to whom they are duly assessed and shall not be charged to any other Party in any form unless the Parties otherwise provide in an Amendment to this Agreement. Any such Amendment shall be governed by Article 18 below.

Article 7: Customs Inspection

1. USPS bears no responsibility for the disposition of items in the custody of U.S. Customs & Border Protection or any other U.S. government agency with authority over imports and exports. Further, Australia Post understands that all contents of any item, including items that are treated as sealed mail under USPS regulations, are subject to inbound search and inspection by U.S. Customs & Border Protection, regardless of when the USPS elects to conduct verification and acceptance of any inbound items.
2. Australia Post bears no responsibility for the disposition of items in the custody of the Australian Customs and Border Protection Service and/or Australian Quarantine Inspection Service. Further, USPS understands that all contents of any item are subject to inbound search and inspection by Australian Customs and Border Protection Service and/or Australian Quarantine Inspection Service, regardless of when Australia Post elects to conduct verification and acceptance of any inbound items.

Article 8: Termination

1. Either Party may terminate this Agreement without cause upon 30 days advance written notice to be served on the other Party, with such termination effective as of the end of the calendar month in which the 30-day notice period expires. The right to terminate the Agreement for good cause remains unaffected.
2. In the event of termination of the Agreement under this Article, the Parties shall be liable to make final settlement of all amounts owing as of the effective date of



the termination. Each Party shall bear its own costs in the event of termination. All further rights and remedies shall remain unaffected.

3. In the event of termination, and as of the effective date of termination, the Parties shall revert to the default rates applicable under the Universal Postal Union Convention effective at the time of such termination, and neither Party shall be liable to the other for any damages including, without limitation, actual, special, indirect, incidental, punitive, consequential or any other damages (including, without limitation, damages for loss of business profits, business interruption or any other loss) for any reason incurred as a result of the change of rates after termination.

Article 9: Dispute Resolution

1. The Parties intend to resolve all disputes under this Agreement informally through correspondence, oral communications, and informal meetings.
2. If the method described in the above paragraph proves insufficient to resolve a dispute, the Parties agree that the signatories to this agreement, or their replacement, shall be given a written description of the dispute by each Party and a suggested outcome. They will review the information provided and shall attempt in good faith to come to an agreement on the issue through correspondence, oral communications, or informal meetings.
3. If the methods described in the above paragraph prove insufficient to resolve a dispute, the Parties agree to refer that dispute to mediation, which shall consist of an informal, nonbinding conference or conferences between the Parties and the mediator, which shall perform mediation responsibilities in the English language. The mediator will be selected as mutually agreed by the Parties.
4. With the exception of disputes concerning cost or revenue liability, mediation will provide the sole means for addressing disputes related to this Agreement. If mediation does not resolve such a dispute, the Parties may exercise their right to terminate.
5. For disputes related to cost or revenue liability, and after attempting resolution through the actions outlined in paragraphs 1 and 2 of this Article, Australia Post and the USPS will first refer the matter to mediation as discussed in paragraph 3 above. If mediation does not resolve such a dispute, or the Parties are unable to agree upon a mediator, a dispute relating to cost or revenue liability shall be referred to arbitration for final settlement under the Rules of the International Chamber of Commerce ('the Rules') by three arbitrators who have substantial experience in business disputes and appointed in accordance with the Rules. Unless the Parties agree otherwise, the place of arbitration shall be determined by the arbitrators. The arbitration proceedings shall be conducted in the English language.

6. Notwithstanding the provisions of this Article 9, and without prejudice to Article 11, paragraph 1, in the event of conflict or inconsistency between the provisions of this Article 9 and Article 11, paragraph 1, the provisions of Article 11, paragraph 1 shall prevail.

Article 10: Construction

Except as otherwise provided in this Agreement, this Agreement shall be governed by and construed in accordance with U.S. Federal law. Where provisions of the UPU Convention are referenced as applicable to the terms of this Agreement, the Parties intend only that the terms of the UPU Convention shall be used to determine the conduct to which the Parties reasonably could expect the other to adhere.

Article 11: Indemnification and Liability

1. The Parties acknowledge that aspects of liability or indemnification in favor of third Parties not expressly governed by this Agreement or its regulations are subject to the appropriate provisions of the Acts of the Universal Postal Union and any reservations the Parties have taken to those instruments.
2. In the event that an entity not Party to this Agreement asserts claims against Australia Post or USPS that are attributable to the actions of the other Party to this Agreement and are not subject to the provisions of the Acts of the Universal Postal Union, the latter Party shall indemnify the defending Party for, and hold the defending Party harmless from, any losses, damages or liabilities suffered by the defending Party as a result. In that instance, the indemnifying Party shall also reimburse the defending Party for all reasonable expenses incurred in connection with investigating, preparing for, or defending any such claim, whether in an administrative, regulatory or judicial proceeding, and whether or not the indemnifying Party is named in the proceeding.
3. Neither Party to this Agreement shall be liable to the other Party nor will they indemnify the other Party for any loss or damage including special, indirect, incidental, punitive, consequential or any other damages (including, without limitation, damages for loss of business profits, business interruption or any other loss) for any reason, except for the following:
 - a. liability and indemnification as described in Article 11, paragraph 1,
 - b. final settlement under Article 8, or
 - c. any actual damage or loss suffered by a Party as a result of a breach of this Agreement by the other Party.
4. Nothing in this Agreement shall be construed as an acknowledgment or concession regarding the validity of any claim or the entitlement of any Party to any amount of damages.

Article 12: Language

The official version of this Agreement, including all supporting documentation and correspondence, shall be in English. The English language shall be the controlling language for the purpose of interpreting this Agreement, and all correspondence between the Parties pertaining to this Agreement shall be in the English language. In the event of inconsistency between any terms of this Agreement, including its supporting documentation and correspondence, and any translation into another language, the English language meaning shall control.

Article 13: Confidentiality Requirements

1. The Parties may share confidential information about their businesses. Subject to the provisions of subparagraph 13.6 below, confidential information includes the terms of this Agreement and all information concerning either Party's markets, customers, organization, administration, operation, business, finance, methods and systems (including any secret process or trade secret).
2. The Parties will take the same measures (being not less than reasonable measures) to protect the other Party's confidential information in their possession, as they take to protect the confidentiality of their own information.
3. The Parties agree that all confidential information will be used by the recipient Party only for the purposes intended and will not be disclosed to any third Party unless;
 - (a) the disclosing Party has obtained the prior written consent of the other Party;
 - (b) the information is known to either Party prior to disclosure by the other Party;
 - (c) the information is public knowledge (except because of a breach of this clause or obligations of confidentiality under this Agreement); or
 - (d) is required to be disclosed by law, court order or administrative order to disclose;
 - (e) the confidential information is requested by any governmental body in the proper exercise of its oversight or investigatory jurisdiction;
4. The obligations of this clause will survive termination of this Agreement and will end on the second anniversary of the expiration or termination of this Agreement.
5. At the expiry and or termination of this Agreement both Parties must cease using any confidential information of the other Party and must immediately return to the other Party or destroy and certify they have destroyed all confidential information held on behalf of the other Party.
6. Australia Post acknowledges that, as part of securing approval of this Agreement and in other subsequent regulatory filings, this Agreement will be filed with the U.S. Department of State, and also filed with supporting documentation with the



U.S. Postal Regulatory Commission (Commission) in a docketed proceeding. Australia Post authorizes the USPS to determine the scope of information that must be made publicly available under the Commission's rules. Australia Post further understands that any unredacted portion of this document may be posted on the Commission's public website, www.prc.gov. In addition, the USPS may be required to file information in connection with this agreement (including revenue, cost, or volume data) in other Commission dockets, including the Commission docket number for the Annual Compliance Report (ACR) for the USPS fiscal year(s) in which this Agreement is in effect. Each ACR docket has a distinct docket number, such as ACR201#, in which "201#" signifies the USPS fiscal year to which the ACR pertains.

Australia Post has the right, in accordance with the Commission's rules, to address its confidentiality concerns directly with the Commission. The procedure for making an application to the Commission for non-public treatment of materials believed to be protected from disclosure, is found at Title 39, Code of Federal Regulations, Section 3007.22, on the Commission's website: www.prc.gov/Docs/63/63467/Order225.pdf. At Australia Post's request, USPS will notify Australia Post of the docket number of the Commission proceeding, if any, used in connection with this Agreement.

Article 14: Severability

If any of the provisions of this Agreement shall be held void or unenforceable, the other provisions shall survive and remain in full force and effect, subject only to either Party's unilateral right to terminate the Agreement.

Article 15: Notices

Any notice or other document to be given under this Agreement will be in writing and addressed as set out below. Notices may be delivered by hand, email, or Express Mail Service.

To the USPS:

TBD
United States Postal Service
475 L'Enfant Plaza SW
Washington, DC 20260

To Australia Post:

Primary Contact for Australia- United States relationship and commercial opportunity matters:

Michael Cope
Global Development Manager
Australia Post
111 Bourke Street,
Melbourne Victoria 3000 Australia

michael.cope@auspost.com.au

Article 16: Force Majeure

Neither party shall be liable for its failure to perform under the terms of this Agreement due to any contingency beyond its reasonable control, including catastrophic weather events, earthquakes, fires, floods, wars, sabotage, accidents, labor disputes or shortages, governmental laws, ordinances, rules and regulations, whether valid or invalid, court orders, whether valid or invalid, inability to obtain material, equipment, or transportation, and any other similar or different contingency.

All Force Majeure events will be treated consistently with the application of the pertinent UPU rules, as if they were controlling, unless otherwise stated in an Amendment made subject to Article 18 below.

Article 17: Legal Status of this Agreement

This Agreement constitutes a legally binding agreement on the part of each signatory hereto and does not bind the Parties' respective governments. The Parties acknowledge that this Agreement sets out the terms and conditions of a negotiated contractual arrangement between the Parties and is not an agreement entered into or subject to public international law. This Agreement does not involve the creation of a wholly-owned subsidiary of any Party or a joint venture company or partnership funded in any ratio by the Parties. The Parties do not intend that any agency or partnership relationship be created between them by this Agreement.

Article 18: Amendment

This Agreement may be amended or extended only by mutual written agreement signed by authorized representatives of Australia Post and USPS (an "Amendment"). Neither a Party's acquiescence in any performance at variance to this Agreement nor a Party's failure to exercise any right or enforce any obligation shall be deemed an amendment to this instrument. The Amendment may be contingent upon any and all necessary approvals listed in Article 3. If such approvals are required, the Amendment will not become effective until such time as all necessary approvals are obtained.

Article 19: Assignment

This Agreement may not be assigned in whole or in part by any Party without the prior written consent of the other Party. Each Party may, however, delegate certain of its responsibilities under this Agreement to a subsidiary or other affiliate entity within its organizational structure without the need for consent by the other Parties so long as such subsidiary or entity would be bound by this Agreement.

Article 20: Applicability of Other Laws

The Parties acknowledge that this Agreement does not involve the USPS's acquisition of property or services and is not subject to the Contract Disputes Act (41 U.S.C. §§ 7101 et seq.).

Article 21: Entire Agreement

1. This Agreement and its annexes shall constitute the entire agreement between the Parties concerning the exchange of international mail described herein. Except as otherwise indicated in this Agreement, any prior agreement, understanding, or representation of any kind pertaining to the subject matter of this Agreement and preceding the date of this Agreement shall not be binding upon either Party.
2. The Parties acknowledge that the provisions of the Universal Postal Convention and applicable regulations continue to apply to their relations outside of this Agreement.

Article 22: Term & Renewal

This Agreement will remain in effect from the Effective Date until terminated pursuant to Article 8.

Article 23: Intellectual Property, Co-Branding, and Licensing

The Parties acknowledge that, in the service of improving existing international products or developing new international products or services under this Agreement, such products or services may be enhanced through the use of co-branding or the use of each Party's trademarks, logos or intellectual property. In such instances, the Parties acknowledge and agree that any use shall be subject to separate written license agreements. The Parties acknowledge and agree that neither Party shall use the other Party's trademarks, logos or intellectual property until such time that a license for each specific such use has been executed by the Parties.

Article 24: Survival

The provisions of Articles 4, 6, 8, 9, 10, 11, 13, 14, 15, 17, 21, 22, and 23 as well as any other terms insofar as they apply to the Parties' continuing obligations to one another under the articles listed above shall survive the conclusion or termination of this Agreement.

Article 25: Warranties

The Parties, through the undersigned, represent and warrant that they have authority to, intend to, and hereby do bind themselves and their respective operating subsidiaries, divisions, and branches to the obligations and commitments set forth in this Agreement.

IN WITNESS WHEREOF, the Parties agree to be bound as of the latest date of signature to the terms and conditions of this Agreement.



Australian Postal Corporation

Michael Cope

Name

HEAD OF GLOBAL DEVELOPMENT

Title

23-12-2016

Date



United States Postal Service

Cliff Rucker

Name

Senior Vice President,
Sale and Customer Relations

Title

12/27/2016

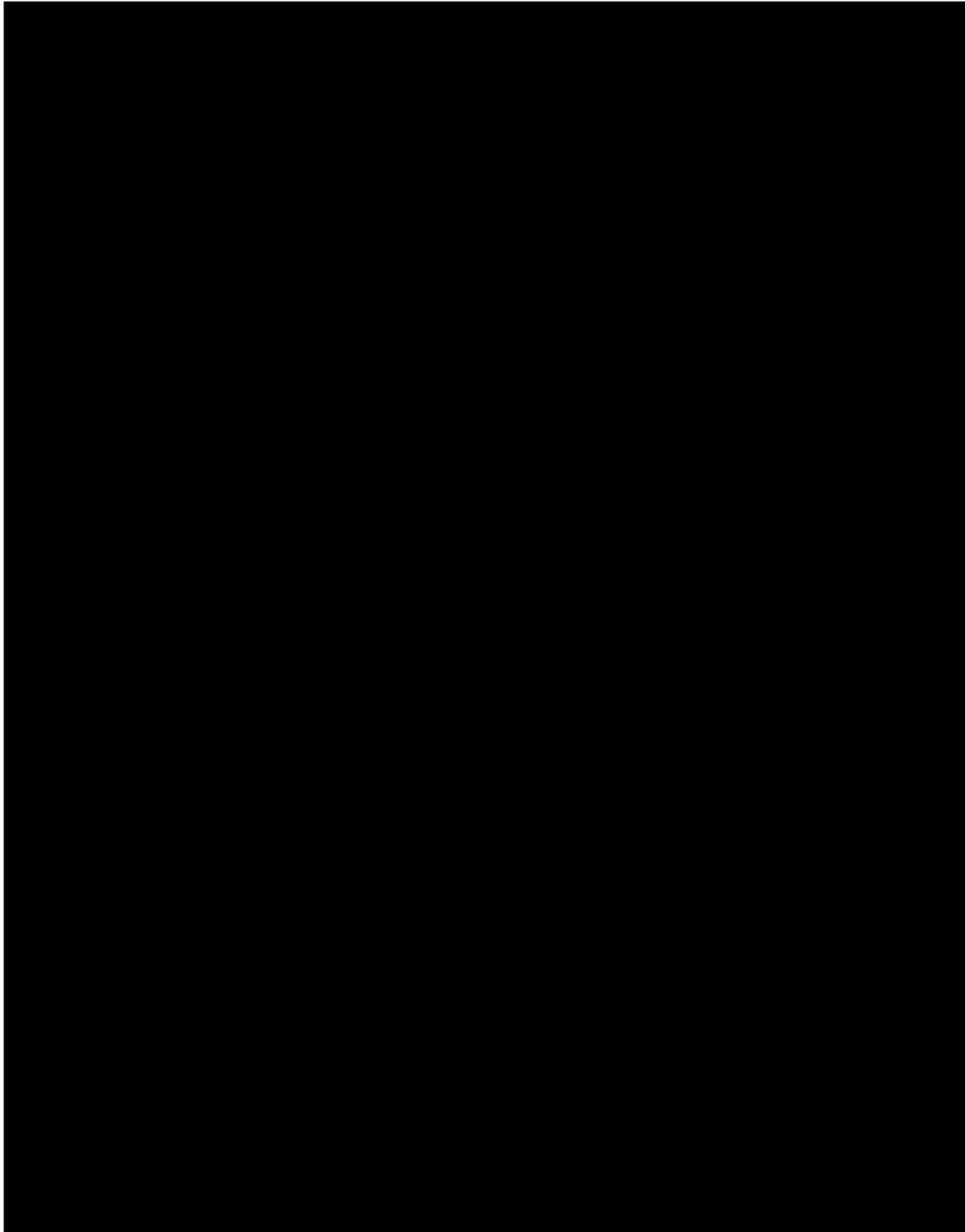
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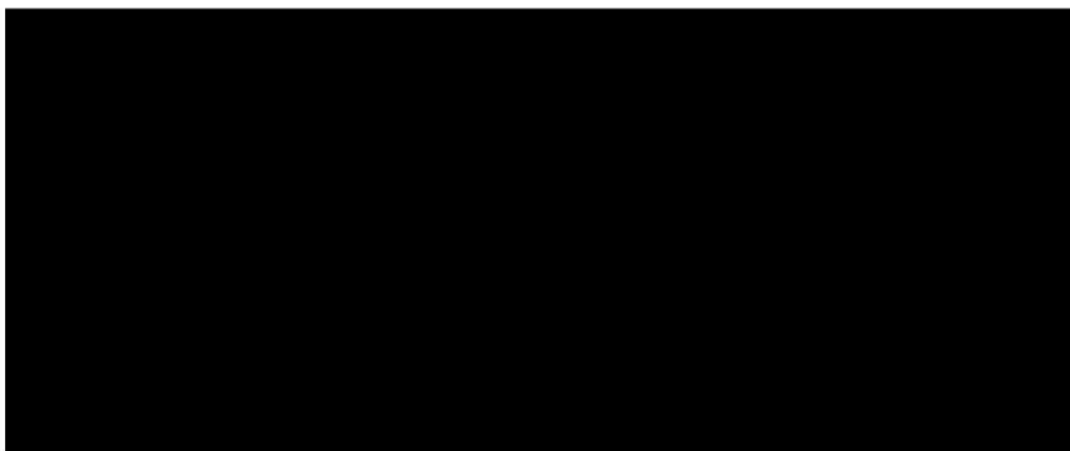
Annex 1 - Rates

The rates below shall be in effect for the term of this Agreement, as set forth in Article 22. Changes in rates during the term of this Agreement will be negotiated and agreed to in accordance with Article 18.

Settlement rates listed in the tables included below are stated in Special Drawing Rights (SDRs) unless noted otherwise. Any changes to current specifications (i.e. sortation and preparation) must be agreed to in writing by both Parties as provided in Article 18 of this Agreement.

US to AU				Starting CY 2017		
Mail Category	Dispatch Subclass	Format	Description	SDR/Item	SDR/Kg	In SDR
A	UX	E	Tracked Packet (United States to Australia Small Packet with Delivery Scanning) - using settled item counts			
AU to US						
Mail Category	Dispatch Subclass	Format	Description	SDR/Item	SDR/Kg	In SDR
A	UX	E	Tracked Packet (Australia to United States Tracked Packet with Delivery Scanning) - using settled item counts			





Specifications of Mail Product Categories and Formats

The rates for the stream categories above shall be based upon the following format and product definitions:

Letters

As specified in UPU Letter Post Regulation (RL 130):

- Minimum dimensions: 90 x 140 mm.
- Maximum dimensions: 165 x 245 mm.
- Maximum weight: 100 g.
- Maximum thickness: 5 mm.

Flats/Large Letters

As specified in UPU Letter Post Regulation (RL 130):

- Minimum dimensions: 90 x 140 mm.
- Maximum dimensions: 305 x 381 mm.
- Maximum weight: 500 g.
- Maximum thickness: 20 mm.

Packets

Any piece exceeding any of the maximum size limits for a Flat, but within the maximum size limits as set forth in the Universal Postal Union Letter Post Regulations Article RL 121 and which has a weight of less than or equal to 2 kilograms.

Australia to United States Tracked Packet with Delivery Scanning
Refer to Annex 2 of this Agreement.

United States to Australia Small Packet with Delivery Scanning
Refer to Annex 3 of this Agreement.



Annex 2 – Australia to United States Tracked Packet with Delivery Scanning

For the purposes of this Annex 2 the product referred to as Tracked Packet with Delivery Scanning is defined as commercial or non-commercial packets and 'Delivery Scanning' will include inferred scanning in circumstances where delivery scanning is unavailable.

Package Specific Preparation Requirements

1. **Package Dimensions and Weight.** Each Tracked Packet with Delivery Scanning shipped under this Agreement must conform to the size and weight limitations specified in the UPU Letter Post Manual. Specifically, each packet shall not exceed 2 kilograms in weight or limits of size specified in UPU Article RL 122.
2. **Package Labeling.** A bilaterally agreed upon label will be displayed on the outside of each package. Customers in Australia will use Australia Post certified software to print labels which will include a valid UPU Letter-Post barcode utilizing the LA through LZ prefix of the UPU S10 barcode construct. In addition, each item will display a completed customs declaration (CN22). The sample label is presented below. Australia Post shall strive to prepare each label, as much as reasonably practicable, in accordance with the guidelines set forth in the most recent version of the International Post Corporation [REDACTED] document.

Receptacle Preparation Requirements

1. **Separation from other products.** The Tracked Packet with Delivery Scanning product that is described in this Agreement will be sorted in receptacles separate from other mail pieces. Other international products, including, but not limited to, other letter-post products, Express Mail Service (EMS), Air Parcels (Air CP), and direct entry packages, may not be commingled in receptacles containing Tracked Packet with Delivery Scanning items.
2. **Receptacle Identification.** Each receptacle will contain a 29-character UPU barcode containing the mutually agreed-upon dispatch mail subclass code of "UX". Each receptacle should also be identified by an Express logo as per the sample labels below.
3. **Receptacle Routing.** To expedite the processing and delivery of these Tracked Packets with Delivery Scanning, the sending party shall present receptacles to corresponding Offices of Exchange (OEs) per the routings outlined in Annex 4.

Dispatch Preparation Requirements



1. **Separation from other products.** The Tracked Packet with Delivery Scanning product that is described in this Agreement will be dispatched separately from other mail pieces. Other international products, including, but not limited to, other letter-post products, Express Mail Service (EMS), Air Parcels (Air CP), and direct entry packages, may not be mixed in dispatches containing the Tracked Packets with Delivery Scanning items.
2. **Dispatch Identification.** Each dispatch will use the mutually agreed-upon UX despatch mail subclass code and unique dispatch numbers, which shall not repeat within a calendar year period.
3. **Sampling.** The Tracked Packets with Delivery Scanning described in this Agreement are not subject to IPK sampling processes.
4. **Dispatch Manifesting.** All tracked packets will be dispatched using subclass UX and each dispatch will be pre-advised using existing PREDES 2.0 or PREDES 2.1 messages, whereby the number of receptacles and the total weight will be transmitted as accurately and timely as possible. The Dispatch documentation will be the CN31, as per UPU Letter Post Regulations.

Return Service, Customer Inquiries and Compensation

1. **Return Service.** Return service for undeliverable, refused, or missent Tracked Packets with Delivery Scanning will be provided consistent with the current procedures for letter-post under the UPU regulations.
2. **Customer Inquiries.** USPS and Australia Post will use the PRIME customer service platform to handle customer inquiries.
3. **Compensation.** Other than specified in this Agreement USPS and Australia Post do not offer indemnity or insurance for Tracked Packets with Delivery Scanning. Accordingly, unless the Parties agree otherwise in a separate written agreement, neither the USPS nor Australia Post shall have any liability other than specified in this Agreement.

Service Standards

Tracked Packets with Delivery Scanning under this Agreement carry no day- or time-specific guarantee. Applicable domestic service standards apply once the Tracked Packets with Delivery Scanning are cleared through U.S. Customs and Border Protection and entered into the U.S. domestic mailstream.

Sample Labels

Below are sample labels for the Tracked Packet with Delivery Scanning. The Parties acknowledge that these are only samples and the required label may vary from time to time as agreed between the Parties.



Sample of IPC Harmonized Label

9 mm		CUSTOMS DECLARATION		CN22		148 mm			
6 mm		Designated operator				FROM		First Last 111 Street City State ZIP Country	
11 mm		<input type="checkbox"/> Gift <input type="checkbox"/> Comm. sample <input type="checkbox"/> Others <input type="checkbox"/> Docs <input type="checkbox"/> Returned Goods				F		#Product Identifier#	
7 mm		Quantity and detailed description of contents		Weight (kg)		Value (US\$)			
18 mm									
8 mm		Total Weight		Total Value		TO		First Last 111 Street City State ZIP Country	
16 mm									
30 mm		I, the undersigned, declare under penalty of perjury that the contents of this form are true and correct and that this form does not contain any dangerous or false information.							
		49 mm		99 mm		AA ### ### ### AA			

Sample of Expres bag Label



Annex 3 – United States to Australia Small Packet with Delivery Scanning

For the purposes of this Agreement, the product Commercial ePacket is defined as commercial Flats (referred to as packets by Australia Post) and packets. Commercial ePackets use the prefix LX. Also, the eDelcon product, for the purposes of this Agreement, is defined as First Class Package International Service (FCPIS) packets that use the prefix LZ for which delivery scanning is available as a result of this Agreement.

Package Specific Preparation Requirements

1. **Package Dimensions and Weight.** Each Commercial ePacket and eDelcon shipped under this Agreement must conform to the size and weight limitations specified in the UPU Letter Post Manual. Specifically, each packet shall not exceed 2 kilograms in weight or limits of size specified in UPU Article RL 122.
2. **Package Labeling.** A bilaterally agreed upon, label will be displayed on the outside of each package. Customers in United States will use USPS-certified software to print labels which will include a valid UPU Letter-Post barcode utilizing the prefix the LA through LZ prefix of the UPU S10 barcode construct. In addition, each item will display a completed customs declaration (CN22). The sample labels are presented below. The USPS shall strive to prepare each label, as much as reasonably practicable, in accordance with the guidelines set forth in the most recent version of the International Post Corporation [REDACTED] document.

Receptacle Preparation Requirements

1. **Separation from other products.** The Commercial ePacket product that is described in this Agreement will be sorted in receptacles separate from other mail pieces. Other international products, including, but not limited to, other letter-post products, Express Mail Service (EMS), Air Parcels (Air CP), and direct entry packages, may not be commingled in receptacles containing Commercial ePacket items.
2. **Receptacle Identification.** Each receptacle will contain a 29-character UPU barcode containing the mutually agreed-upon mail dispatch subclass code of "UX". Each receptacle should also be identified by an Expres logo as per the sample labels below.
3. **Receptacle Routing.** To expedite the processing and delivery of these Commercial ePacket, the sending party shall present receptacles to corresponding Offices of Exchange (OEs) per the routings outlined in Annex 4.



Dispatch Preparation Requirements

1. **Separation from other products.** The Commercial ePacket product that is described in this Agreement will be dispatched separately from other mail pieces. Other international products, including but, not limited to, other letter-post products, Express Mail Service (EMS), Air Parcels (Air CP), and direct entry packages, may not be mixed in dispatches containing the Commercial ePacket items.
2. **Dispatch Identification.** Each dispatch will contain the mutually agreed-upon UX dispatch mail subclass code and unique dispatch numbers, which shall not repeat within a calendar year period.
3. **Sampling.** The Commercial ePacket described in this Agreement are not subject to IPK sampling processes.
4. **Commercial ePacket Dispatch Manifesting.** Each dispatch will be manifested using the existing PREDES 2.0 or PREDES 2.1 messages, whereby the number of receptacles and the total weight and number of pieces contained in each receptacle will be transmitted as accurately and timely as possible.
5. **eDelcon Dispatch Manifesting.**
All Commercial ePacket and eDelcon to be dispatched using subclass UX and each dispatch will be pre-advised using existing PREDES 2.0 or PREDES 2.1 messages, whereby the number of receptacles and the total weight will be transmitted as accurately and timely as possible. The Dispatch documentation will be the CN31, as per UPU Letter Post Regulations.

Return Service, Customer Inquiries and Compensation

1. **Return Service.** Return service for undeliverable, refused, or missent Commercial ePacket and eDelcon will be provided consistent with the current procedures for letter-post under the UPU regulations.
2. **Customer Inquiries.** USPS and Australia Post will use the PRIME customer service platform to handle customer inquiries.
3. **Compensation.** Other than specified in this Agreement USPS and Australia Post do not offer indemnity or insurance for Commercial ePacket and eDelcon. Accordingly, unless the Parties agree otherwise in a separate written agreement, neither the USPS nor Australia Post shall have any liability other than specified in this Agreement.

Service Standards

Commercial ePacket and eDelcon under this Agreement carry no day- or time-specific guarantee. Applicable domestic service standards apply once the Commercial



Below is a sample label for the eDelcon Small Packet Service (LZ). The Parties acknowledge that this is only a sample and the required label may vary from time to time as agreed between the Parties.

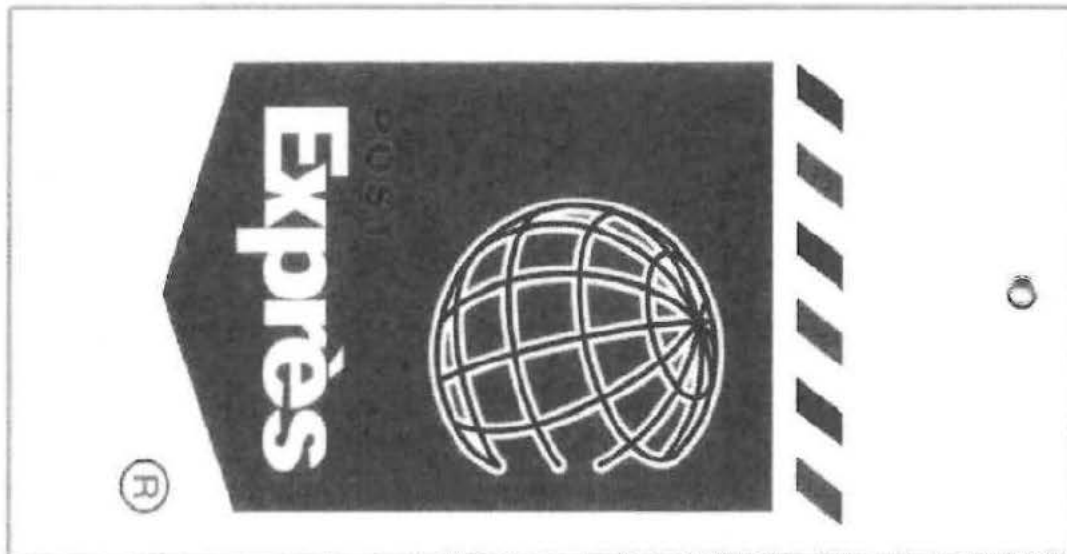
				Click-N-Ship <small>USPS Form</small> US POSTAGE PAID		LZ#####US#####AA## 	
LZ ##### AA		1 to 0.05 02/02/10		Commercial Base Pricing <small>Mailed from 20026</small>			
Customs Declaration CN 22				From: SENDER NAME STREET ADDRESS CITY, STATE, ZIP			
Contents: Gift <input type="checkbox"/> Commercial Sample <input type="checkbox"/> Documents <input checked="" type="checkbox"/> Other <input type="checkbox"/>							
Detailed description of contents:			Qty.	Weight lb. oz.	Value (US \$)	To: RECIPIENT NAME STREET ADDRESS CITY/PROVINCE, ZIP COUNTRY OF DESTINATION	
Test			1	1 0	123.00		
HS tariff number and country of origin:			1	0	123.00	PFC or Exemption/ Exclusion Legend NOEE130 37(a)	
I, the undersigned, whose name and address are given on the item, certify that the particulars given in this declaration are correct and that this item does not contain any dangerous article or articles prohibited by legislation or by postal or customs regulations.						Mailing Office Date Stamp 	
Sender's signature: YOUR NAME				Date: 02/02/2010			
PS Form 2976		Do not duplicate this form without USPS approval		This item/parcel may be opened officially			

Sample of Expres bag Label- Front and Back

Front of Tag



Back of Tag



Annex 4 – Office of Exchange Routing Details

USPS

The following table illustrates the appropriate United States (U.S.) points of entry for Australia to United States Tracked Packet with Delivery Scanning based on the destination address postal code.

Table A1: Suggested U.S. points of entry for Australia to United States Tracked Packets with Delivery Scanning

		From			
To	<u>Tracked Packets</u>	AUBNEA	AUMELA	AUPERA	AUSYDA
	USHNLA	96700-96999	96700-96999	96700-96999	96700-96999
	USJFKA	00500-45999	00500-45999	00500-45999	00500-45999
	USLAXA	80000-96699	80000-96699	80000-96699	80000-96699
	USMIAA	NA	NA	NA	NA
	USORDA	46000-79999	46000-79999	46000-79999	46000-79999
	USSFOA	NA	NA	NA	NA

Australia Post

The following table illustrates the suggested Australian point of entry for United States to Australia Small Packet with Delivery Scanning based on the first digit of the destination address postal code. A more detailed table based on the four digits can be provided upon request.

Table B: Suggested Australian points of entry for United States to Australia Small Packet with Delivery Scanning (Commercial ePacket and eDelcon)

First Digit of Postal Code	Suggested Australian Point of Entry	Commercial ePacket and eDelcon
NSW, ACT – Postcodes beginning with 1, 2 and 02, 4, and 9	Sydney	AUSYDA (Air LC/AO)
VIC, SA, NT, TAS – Postcodes beginning with 3, 8, 5, 08 and 7	Melbourne	AUMELA (LC/AO)
WA – Postcodes beginning with 6	Perth	AUPERA (LC/AO)



Annex 5 – Detailed Item Content Restrictions

All items mailed under this Agreement must conform to the following:

a) the mailability requirements of the United States Postal Service, as detailed in the International Mail Manual sections 134, Valuable Articles, 135, Mailable Dangerous Goods, and 710, Treatment of Inbound Mail; the United States country listing in the Universal Postal Union's Customs List of Prohibited Items; and Domestic Mail Manual section 601, Mailability. As of the execution date of this Agreement, these materials are available at the following websites, respectively:

http://pe.usps.gov/text/imm/immc1_013.htm

http://pe.usps.gov/text/imm/immc1_014.htm

http://pe.usps.com/text/imm/immc7_001.htm

<http://www.upu.int/en/activities/customs/prohibited-and-restricted-articles/cds-list-of-prohibited-and-restricted-articles.html>

<http://pe.usps.gov/text/dmm300/601.htm>

and

b) the mailability requirements of Australia Post, as detailed in the documents (including but not limited to the Australia Post Terms & Conditions, Australia Post International Post Guide and the Australia Post Dangerous & Prohibited Goods and Packaging Guide) found on the following websites (and as may be amended from time to time):

<http://auspost.com.au/statutorydocuments/generalpostalservices/frame.htm>

<http://auspost.com.au/media/documents/international-post-guide.pdf>

<http://auspost.com.au/media/documents/dangerous-prohibited-goods-packaging-post-guide.pdf>

<http://www.customs.gov.au/site/page4369.asp>

<http://www.daff.gov.au/biosecurity/mail/cant-mail>

Annex 6 – Additional Requirements

For services for which this Agreement sets rates, the following requirements apply to all bidirectional flows originating and destinating in the territories served by both Parties under this Agreement:

Data Exchange Requirements

1. Each Party shall generate and transmit, within [REDACTED] from the origin office of exchange, [REDACTED] or higher;
2. Each Party shall generate and transmit, within [REDACTED] of the dispatch close from the origin office of exchange, [REDACTED] information;
3. Each Party shall generate for access by the other Party, [REDACTED] from origin office of exchange event scans.

Measurement Objectives

Australia Post will work towards providing [REDACTED] data on Australia to United States Tracked Packet with Delivery Scanning (subject to Annex 2) during the term of this Agreement. The United States Postal Service will work towards providing [REDACTED] data on United States to Australia Tracked Packet with Delivery Scanning (subject to Annex 3) during the term of this Agreement.

The Parties shall negotiate towards the objective of further measurements on quality and quantity of [REDACTED] including, but not limited to, any flows that are collected by Australia Post or the United States Postal Service.

